

Federal Communications Commission FCC 04-135

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of

Amendment of Parts 1, 21, 73, 74 and 101 of the)	WT Docket No. 03-66
Commission's Rules to Facilitate the Provision of)	RM-10586
Fixed and Mobile Broadband Access, Educational)	
and Other Advanced Services in the 2150-2162)	
and 2500-2690 MHz Bands)	
)	
Part 1 of the Commission's Rules – Further)	WT Docket No. 03-67
Competitive Bidding Procedures)	
)	
Amendment of Parts 21 and 74 to Enable)	MM Docket No. 97-217
Multipoint Distribution Service and the)	
Instructional Television Fixed Service)	
Amendment of Parts 21 and 74 to Engage in Fixed)	
Two-Way Transmissions)	
)	
Amendment of Parts 21 and 74)	WT Docket No. 02-68
of the Commission's Rules With Regard to)	RM-9718
Licensing in the Multipoint)	
Distribution Service and in the)	
Instructional Television Fixed Service for the)	
Gulf of Mexico)	
)	
Promoting Efficient Use of Spectrum Through)	WT-Docket No. 00-230
Elimination of Barriers to the Development of		
Secondary Markets		

REPORT AND ORDER AND FURTHER NOTICE OF PROPOSED RULEMAKING

COMMENTS ON FURTHER NOTICE OF PROPOSED RULES MAKING
BY GRAND WIRELESS COMPANY

In the Commission's Report and Order and Further Notice of Proposed Rules making on the above captioned Dockets, several questions were raised that warrant response.

Grand Wireless Company, a multiple BTA licensee in Northwestern Michigan, is currently providing broadband service in three Basic Trading Areas. Its experience is "real time" rather than unconstructed musings.

Annual License Fees: Currently the Commission has annual license fees that are the same regardless of population density. A licensee serving an area containing less than 100 people/square mile pays the same annual fee as a licensee serving an area containing 1000

people/square mile. The Commission is well aware of the difficulties in economies of scale for licensees serving rural communities. The Commission demonstrates this by having a sliding scale for the annual fees of broadcast television stations based upon population.

Grand Wireless believes a similar structure, perhaps simplified compared to the number of broadcast television categories, would better serve the rural operator. While the current fees may seem a trivial amount, to the rural operator already stretched thin by low population density it can be a high hurdle. As a rural operator every little bit helps and we would rather take most of that fee and use it to further our expansion.

Definition of Rural: The Commission asked what should be the guideline for defining “Rural”. There is always benefit in various government entities having similar definitions particularly where their responsibilities overlap. The Commission and the Rural Utility Service (RUS) have both expressed a similar desire to see broadband provided in rural communities. The RUS has promoted loan and in some cases grant programs to that end. It would seem reasonable for the Commission to adopt rural definitions already established by the RUS.

Respectfully Submitted,

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